Listing of Claims:

The claims listed below have not been changed since their immediate prior version and are merely being provided for ease of reference.

- 1. (Previously Presented) A breath-sensitive toy, comprising:
 - a breath sensor having an electrical characteristic;
- a reference sensor having an electrical characteristic and spaced away from the breath sensor in a location protected from air exposure;
 - an output device; and
- a processor operatively coupled to the breath sensor, to the reference sensor, and to the output device;

wherein the processor is adapted to compare the electrical characteristic of the breath sensor to the electrical characteristic of the reference sensor and activate the output device if the electrical characteristics of the breath and reference sensors differ by a predetermined amount.

- (Original) The breath-sensitive toy of claim 1, wherein the processor is further adapted to cause the toy to exhibit a behavior in response to user input.
- (Original) The breath-sensitive toy of claim 1, wherein the processor is further adapted to cause the toy to elicit behavior in a user and detect the behavior.

- (Original) The breath-sensitive toy of claim 1, wherein the breath sensor includes a humidity sensor.
- (Previously presented) The breath-sensitive toy of claim 1, wherein the reference sensor is configured to detect an ambient value.
- (Original) The breath-sensitive toy of claim 1, wherein the breath sensor includes a temperature sensor.
- (Previously Presented) The breath-sensitive toy of claim 6, further comprising a plurality
 of channels, wherein each channel includes a breath sensor located therein.
- 8. (Original) The breath-sensitive toy of claim 1, wherein the toy includes a stuffed toy figure.
- (Original) The breath-sensitive toy of claim 1, wherein the toy includes a doll.

- 10. (Original) The breath-sensitive toy of claim 1, further comprising:
 - a pressure sensor; and
 - a photo sensor;

wherein the processor is further operatively coupled to the pressure sensor and to the photo sensor.

- 11. (Previously Presented) A breath-sensitive toy, comprising:
- a breath sensor positioned at a first location on the toy and having an electrical characteristic responsive to the presence of breath;
- a reference sensor positioned at a second location on the toy, spaced away from the breath sensor in a location protected from air exposure, and having an electrical characteristic responsive to the presence of breath;
 - a processor electrically connected to the breath sensor and to the reference sensor; and a transducer adapted to produce output;
- wherein the processor activates the transducer when the electrical characteristic of the breath sensor drops below a threshold set by the electrical characteristic of the reference sensor.
- 12. (Original) The breath-sensitive toy of claim 11, wherein the transducer produces sound.
- (Original) The breath-sensitive toy of claim 11, wherein the transducer produces speech sounds.

- 14. (Original) The breath-sensitive toy of claim 11, wherein the transducer produces light.
- (Original) The breath-sensitive toy of claim 11, wherein the transducer includes a mechanical actuator
- 16. (Original) The breath-sensitive toy of claim 15, wherein the transducer includes motorized limbs.
- 17. (Original) The breath-sensitive toy of claim 11, wherein the transducer includes a speaker, and wherein the toy is adapted to initiate dialogue with a child by playing prerecorded phrases.
- 18. (Original) The breath-sensitive toy of claim 11, wherein the breath sensor includes a humidity sensor and the reference sensor includes a humidity sensor.
- 19. (Original) The breath-sensitive toy of claim 11, wherein the breath sensor includes a temperature sensor and the reference sensor includes a temperature sensor.
- 20. (Original) The breath-sensitive toy of claim 11, further comprising a musical toy, and wherein the at least one transducer produces a musical tone.

- (Original) The breath-sensitive toy of claim 20, wherein the musical toy includes a pan flute.
- (Original) The breath-sensitive toy of claim 20, wherein the musical toy includes a harmonica.
- 23. (Previously Presented) A breath-sensitive musical toy having channels, comprising: a plurality of breath sensors, each placed in a channel of the toy and each having an electrical characteristic responsive to the presence of breath;
 - a processor electrically connected to the plurality of breath sensors; and a speaker adapted to produce musical output:
- wherein the processor activates the speaker when the electrical characteristic of one of the plurality of sensors relative to the electrical characteristics of other of the plurality of sensors indicates the presence of breath.
- 24. (Original) The breath-sensitive musical toy of claim 23, wherein the electrical characteristic is responsive to the quantity of breath, and wherein the musical output has a volume, the processor further activating the speaker to produce output volume correlated with the quantity of breath.

- 25. (Original) The breath-sensitive musical toy of claim 23, further comprising a pan flute.
- 26. (Original) The breath-sensitive musical toy of claim 24, further comprising a pan flute.
- 27. (Original) The breath-sensitive musical toy of claim 23, further comprising a harmonica.
- 28. (Original) The breath-sensitive musical toy of claim 24, further comprising a harmonica.
- 29. (Previously Presented) A breath-sensitive toy, comprising:
 - a breath sensor having an electrical characteristic responsive to the presence of breath;
- a reference sensor positioned in a location protected from air exposure and having an electrical characteristic responsive to the presence of breath;
 - a pressure sensor having an electrical characteristic;
 - a photo sensor having an electrical characteristic:
- a processor electrically connected to the breath sensor, to the reference sensor, to the pressure sensor, and to the photo sensor; and
 - a plurality of output devices;
- wherein the toy has a plurality of output modes, and the processor activates one or more of the output devices to produce output in an output mode according to the electrical characteristics of the breath sensor, reference sensor, pressure sensor, and photo sensor.

30. (Previously Presented) An environment-sensitive toy comprising: a first sensor responsive to an environmental factor at a first location of the toy; a second sensor responsive to an environmental factor at a second location of the toy protected from air exposure;

an output device; and

a processor coupled to the first and second sensors and adapted to compare the environmental factor in the first location to the environmental factor in the second location and activate the output device when a threshold difference in the environmental factors is sensed.

- 31. (Previously presented) The environment-sensitive toy of claim 30, wherein the environmental factor is at least one of humidity, temperature, light, pressure, movement, and sound.
- (Previously presented) The environment-sensitive toy of claim 30, wherein airflow across
 one of the first and second sensors is substantially restricted.